Session 1:
# Overview of Institutional Responsibilities

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Session Objectives

After completing this session, you will be able to:

✓ identify responsibilities of schools participating in the Title IV programs;

✓ define financial responsibility and administrative capability;

✓ understand how to apply the requirement for separation of authorizing and disbursing functions;

✓ identify information that must be disclosed to the consumer; *and*

✓ identify methods of evaluating your management of the federal student aid programs.

Resources

● *The Blue Book*, Chapter 2

● 34 CFR 668, 34 CFR 600

● *2001-2002 Student Financial Aid Handbook, Volume 2: Institutional Eligibility*

● DCL GEN-00-20
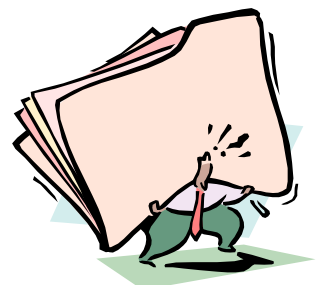
Notes

Team Exercise #1: School Responsibilities

Listed below are school responsibilities related to administering the Title IV programs. Identify the office that is usually responsible for each function at your campus. Discuss with your team answers to the following questions:

- Regarding these responsibilities, how is your school similar to the others represented on your team?
- How is it different?
- What conclusions do you reach about these similarities and differences?

1) **Ensuring the school is financially responsible to administer the Title IV programs.**

   _____

2) **Drawing down funds and returning Title IV refunds to program accounts.**

   _____

3) **Ensuring the school collects any Title IV overpayments students received.**

   _____

4) **Maintain a system of internal controls that includes adequate checks and balances.**

   _____

5) **Ensuring that a school has no criminal or fraudulent activities occurring as it manages federal funds and administers Title IV programs.**

   _____

6) **Reporting changes to ED about the school's current eligibility status.**

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7) **Ensuring a school has an independent auditor perform an annual nonfederal audit of the school's Title IV financial operations.**

   _____

8) **Providing general stewardship for federal funds, including maintaining bank accounts and investments as appropriate.**

   _____

9) **Adhering to the principle of separation of functions.**

   _____

10) **Reconciling accounts.**

   _____

Technical Specifications	
Equipment	**Minimum REQUIRED Configuration by January 1, 2002 (for the 2002-03 processing cycle)**
Hardware	IBM or fully IBM-compatible PC 800 MHz Pentium processor or comparable 128 MB RAM or more 20 GB hard drive, with at least 500 MB available hard-disk space 56K modem (that meets or is upgradeable to v.90) 3.5-inch/1.44 MB diskette drive Microsoft compatible mouse SVGA monitor (capable of 800 X 600 resolution [small fonts] or higher) Windows 95 keyboard Speakers Laser printer capable of printing on standard paper (8.5-inch x 11-inch) 24x CD-ROM drive or higher, read/write with sound board
Software	32-bit operating system Microsoft Windows 98, Microsoft Windows NT 4.0, or Microsoft Windows 2000 Supported network: Windows NT Internet service provider (ISP)[1] **Portal Browser Requirements** Internet Explorer v4.01 or higher Netscape Navigator v4.73 or above **Other Browser Requirements** Internet Explorer v4.01 or higher Netscape Navigator v4.0 or above
Phone Line	Dedicated phone line
Diskettes	3.5-inch, high-density, double-sided diskettes

[1] An Internet service provider (ISP) is needed to access the Information for Financial Aid Professionals (IFAP) Web site, RFMS, GAPS, NSLDS, and to submit the Application for Approval to Participate in Federal Student Financial Aid Programs (initial certification, recertification, reinstatement, and changes).

Note: For optimal configuration specifications, refer to the EDExpress Technical Reference.

Team Exercise #2: Financial Responsibility and Administrative Capability

Select three standards from the financial responsibility and administrative capability charts on pages 2-24 and 2-26 of *The Blue Book*. On a piece of flip-chart paper, list the standards. Underneath each standard, write your team's answers to the following questions for each standard you selected. Select a team spokesperson to summarize your discussion with the workshop participants.

1) Why do you think this standard was created? What purpose does it serve?

2) What are the benefits to a school in meeting this standard?

3) What would happen if a school does not meet this standard?

When you have finished discussing the standards, choose a spokesperson to summarize your discussion with the whole group.